

SCOPE:

This contract covers the estimated biennial (two-year) requirement with an optional two year extension for the State of California and participating local agencies (political subdivisions) for Modified Raised Top Handicapped Vans per the attached specifications dated October 2002.

F.O.B. Point:

The successful bidder (dealer) will be required to deliver vehicles to the following four counties: SACRAMENTO, SAN FRANCISCO, LOS ANGELES, and SAN DIEGO. Ordering agencies located outside of the above areas will either pick up the vehicles from the dealer or have them shipped to one of the four F.O.B. points. If the order indicates a delivery other than the four F.O.B. points, the dealer will deliver the vehicle and show the delivery charges as a separate item on the invoice.

Delivery:

The Contractor shall complete delivery within 210 days after receipt of order (ARO).

The successful Contract Supplier (dealership) will be required to deliver buses to State and local agencies located in the area in which it received an award.

Late Delivery Charges:

The parties to this agreement acknowledge that the Ordering agency, specifically the Local agency's Fleet Operator shall incur actual damages should the supplier fail to perform the work as called out in the contract and specification on the date set forth herein. The parties, therefore, have agreed to late delivery charges in the amount of **\$35.00 per unit per workday.**

Workdays are Monday through Friday inclusive except State holidays observed Monday through Friday.

The parties also agree that the amount specified is not unreasonable nor punitive in nature because both parties have carefully considered the amount specified and believe it to be a reasonable estimate, and not excessive at the time the purchase order is entered into.

It is agreed that the supplier will pay the State of California the sum indicated above per unit per workday for each workday the work remains uncompleted or unaccepted by the State. The total late delivery charges assessed against supplier shall in no event exceed 25% of the total value of the entire order.

Price:

All prices shall be firm for the duration of the contract.

Contractor Information:

Address of factory where the vans will be manufactured:

The Braun Corporation
631 West 11th Street
Winamac, IN 46996

Contractor's current State Vehicle Dealer License Number: **29057**

Contact Dealership for Prices on Options, Warranty Information and Delivery status below:

Name: Northern California – Jay Holzhuter

Phone No.: (888) 353-6287

Name: Southern California – Don White

Phone No.: (800) 326-6287

Supplier's Manufacturer's Pre-Delivery Service Location is Below:

Location: Chino, Ca and Hayward, Ca

Method of Ordering:

Ordering State agencies and local agencies will place orders, as the vans are required during the period specified in the contract. The orders will be sent directly to the Contractor. Ordering agencies will be sending a Contract/Delegation Purchase Order (STD. 65) and local agencies will be sending an internal local agency purchase order.

Confirmation of Purchase Orders:

Prior to actually placing the order, the contractor shall provide the ordering agency a written confirmation of the order.

The confirmation shall clearly itemize the options which have been added and what changes they made to the features of the standard contract van and to the base cost of each standard contract bus. This will assure that both parties concur that the van is configured as required by the ordering agency and the base contract features, if modified, have been accounted for in terms of both function and that the appropriate cost adjustment(s) have been made.

Invoicing Requirements:

The Contract supplier is to render invoices as instructed on individual orders. Invoices shall include the order number, the contract number, the unit price, extension, and any cash discount offered. State sales tax is to be shown as a separate item on the invoice. Invoices omitting any of the above mentioned items shall be returned for correction and resubmitted. Note: Sales tax shall be computed on the net price, that is, the price after deducting the cash discount. Note: Purchase Order for payment must include the tax exemption for handicapped equipment (California Revenue And Taxation Code Section 6394.4).

All Van Sales must remain within a reasonable scope of the original evaluated base configuration of each line item or the purchase will be deemed outside the scope of this contract and the state will assume no role in that particular order.

Quantity:

Quantities shown for each line item are estimates and are for evaluation purposes only. Actual purchases may vary from this pattern. Emergency purchases may be made off contract. The State will not be obligated to purchase contractor's excess inventory of any line item if actual purchases vary from the anticipated purchase pattern.

Contract Usage Reports:

The contractor shall provide the Department of General Services, Procurement Division a monthly Contract Usage Report. This report will reflect the van orders placed against the contract for the respective month. Procurement Division must receive the report by the 15th of each month. The Contract Usage Report shall have copies of orders attached and include the following information (see attached sample):

1. Contractor Information
2. Contract Number
3. Reporting Month
4. Ordering Agency
5. Bill Code (if known)
6. Purchase Order Number
7. Date of Purchase Order
8. Date Order Received by Contractor
9. Date of Confirmation
10. Delivery Date (anticipated)
11. Description of Van (Make and Model)
12. Quantity Ordered
13. Van Unit Price
14. Van Unit Price with Options

Send the Contract Usage Report with purchase orders to the following address:

Department of General Services
Procurement Division
Attn: Vehicle Purchasing
P.O. Box 989054
707 3rd Street, 2nd Floor
West Sacramento, CA 95798-9054

Preproduction Inspection Meeting:

A Preproduction Meeting/Inspection is performed after the award of the contract to the contractor and the first article or van that is manufactured is inspected for compliance to the specifications.

Refer to page 12 paragraph two, entitled “Inspection” for more details.

Van Inspection and Service:

An Inspector of Automotive Equipment will inspect buses at the Dealer’s place of business prior to delivery.

Inspection by local agencies will be at dealer’s delivery location or delivery point, as requested by the local agency.

Vans shall be delivered to accepting agency within two (2) working days of inspection acceptance.

Please refer to page 12 of the specifications.

Non-Specified Options :

The ordering agency may require optional features or equipment in addition to or in lieu of the features or equipment specified as standard per the attached technical specification. If these optional features or equipment are available from the Cab and Chassis (C&C) manufacturer, (e.g., Ford, GMC, etc.) then these non-specified options shall be made available to the ordering customer at a cost not to exceed 10% above the published dealer cost.

In addition to the C&C manufacturer options, a published price list for all optional features and equipment is available by the Final Stage manufacturer. This “options” list shall include all available options the supplier wishes to offer the ordering agency. The ordering agency shall only order those options as listed on the published “options list” submitted by the Final Stage manufacturer. The only exception to this requirement will be new options being introduced based on new technologies not yet made available at the time of the bid opening. These new options and published prices must be submitted to and approved by the State contracting buyer prior to being ordered by the ordering agency.

Responsibility for Compliance:

Inspection/Testing requirements shall become a part of the contractor’s overall quality program. The absence of inspection/testing requirements in the contract shall not relieve the contractor of the responsibility of ensuring that all goods and services tendered to the State (for acceptance) conform to the requirements of the contract.

Product Defects and Tolerances:

All goods shall conform to the quality levels set by the contract and be free of any defects. Goods inspected and rejected (non-compliant to specifications or out of tolerance) are subject to return for full credit. The State will document the defects and submit the report to the contractor. The contractor shall arrange for and pick up the rejected goods within 14 days of notification. Failure to pick up the rejected goods within this time frame will be grounds for the State to charge back to the contractor any costs associated with reasonable disposal or management of goods.

The contract delivery schedule(s), including as necessary, replacement shipments, shall be met. When necessary, replacement shipments shall be met. When necessary, express shipping shall be provided at no cost to the State.

Contract Administration:

The Contractor shall identify a Contract Administrator who is qualified and authorized to bind the company and subcontractors on issues related to contract performance and administration.

Purchase Orders should be sent to the following address below:

Company Name: Creative Bus Sales, Inc.

Street Address: 13501 Benson Avenue

City, State, and Zip: Chino, CA 91710-5232

Person to contact: Don White or Jay Holzhuter

Phone No.: (800) 326-2877 or (888) 353-6287

Fax No.: (909) 465-5529 or (510) 728-7800

Emergency Purchases:

In the event of an emergency, the State may purchase any required line item from other than the contractor.